

Analysis of the Downtown Employee Market Segment

Urban downtowns have long been recognized as the commercial centers of both cities and regions. The major companies, government institutions, and other businesses traditionally located in downtowns generate large amounts of local revenue, income and economic activity. These organizations also bring a daily stream of office workers into the area. While the businesses themselves are most commonly acknowledged as catalysts of economic growth, their employees also have an impact on the downtown economy.

National Trends

Most downtown employees commute to work. In Downtown Milwaukee, 60% of employees live more than five miles from the Downtown Study Area. Given the non-local nature of these commuters, Downtown Milwaukee is faced with the challenge of keeping its employees downtown after working hours, while also encouraging them to spend more money during the day. In general, the more time spent by workers in and around their offices, the more likely they are to make purchases at downtown establishments.

Recognizing these challenges, a recent study conducted by the International Council of Shopping Centers (ICSC) analyzed how the habits of office workers have changed between 1987 and 2003. The study examined changing consumer preferences among office workers, along with the impact of retail availability on employee shopping habits. Specific findings include:

- In 2003, weekly lunch expenditures among downtown office workers were 20% higher than those reported by suburban office workers (\$26.80 versus \$22.50).
- The frequency for dining out during lunchtime has remained stable between 1997 and 2003, averaging 4.4 days per week.
- Office workers spend an average of \$7.10 on lunch when dining out.
- When compared to their suburban counterparts, downtown office workers are more likely to eat out (85% versus 76%), and also eat out more frequently. Fifty percent (50%) of downtown office workers eat out 4 out of 5 days, versus 38% of suburban office workers.
- The deli/grocery/carry-out business has surpassed sit-down and fast food restaurants in market share. *Almost twice as many lunches were purchased at these types of convenience food shops in 2003 than in 1987 (up from 15% to 27%).*
- The share of office workers shopping during their lunch hour (32%) has remained stable since 1987.
- The market share of lunches purchased at fast-food restaurants has remained at 16% since 1987, while the share from sit-down restaurants has decreased from 22% to 16%.

- The share of office workers who stop after work for dinner or drinks closer to their office has doubled since 1987 (an increase of 12% to 25%). The average weekly expenditure for these activities was \$44 per patron in 2003.
- Downtown, after-work entertainment activities have increased from 29% in 1987 to 35% in 2003.
- Use of public transportation has increased dramatically (43% in 1987 to 63% in 2003), among office workers in downtown areas with above average retail density.

While the preceding findings are not derived directly from an analysis of Downtown Milwaukee, they do suggest that downtown office workers do not simply travel between their homes and offices each day. Office workers are spending money in the areas near their workplaces both during and after the workday. These behaviors leave downtowns poised to take advantage of the office worker market and encourage even greater economic activity through the most appropriate retail offerings, entertainment options, and food/beverage outlets.

The aforementioned ICSC study also determined that if downtown retail offerings were similar to those near a worker's residence, 66% of office workers are more likely to shop closer to home than work. However, in markets offering superior retail shopping opportunities, nearly 40% of non-grocery shopping trips are made closer to work than home. In areas with weak retail options, only 24% of shopping trips are made closer to work. Furthermore, workers in downtown areas with abundant retail are twice as likely to shop over their lunch break, compared to workers in downtown areas with limited retail.

The presence of hospitality and entertainment establishments also affects where office workers socialize. When going out for drinks or dinner after work, office workers in downtown areas with ample retail are more likely to stop closer to their office, than are those working in downtowns with limited retail. *When dining out for lunch during the workweek, 9 out of 10 office workers in downtown areas with ample retail offerings will walk to lunch compared to only 6 in 10 workers in areas with limited retail (ICSC, 2004).*

On average, office workers spend \$96 per week when shopping over lunch, during the day, or after work. Apparel, home goods, toys, electronics and other destination-type purposes accounted for \$56 of weekly spending. The remaining \$40, was spent on convenience-type items like groceries/snacks, personal care, and cosmetics. Table 5.1 reports what percentage of downtown office workers make a retail purchase in any given week along with the type of goods purchased.

Table 5.1 - Frequencies and Types of Purchases Made by Downtown Office Workers

Type of Purchase	Percent of Workers Making a Purchase
Any Purchase	58%
Groceries	37%
Snacks/Incidentals	33%
Personal Care/Drug	31%
Apparel/Accessories	27%
Home Items	22%
Sports/Toys/Electronics	20%
Gifts/Cards	21%
Newspapers/Magazines	15%
Cosmetics/Perfume	10%

Source: ICSC, 2004

If downtowns offer a desirable retail mix, office workers will be more likely to utilize their shopping opportunities during the day and after work, rather than make purchases closer to home. In particular, these options include convenience food stores for buying lunch, hospitality/entertainment options for after work, and an above average density of retail offerings that offer both destination and convenience shopping opportunities.

Characteristics of Downtown Milwaukee Employees

Estimates from the 2000 Census Bureau Transportation Planning Package (CTPP) reported 78,000 people employed within the Downtown Study Area¹. *These employee figures are based on the number of people working in the Downtown Study Area as opposed to the number of jobs in Downtown Milwaukee (i.e. some workers may hold more than one job).*

As these figures are based on 2000 figures, the number of people working in Downtown Milwaukee and their characteristics have likely changed somewhat. While a number of high profile companies have recently relocated in Downtown Milwaukee (i.e. Roundy's Inc), the exact impact of these relocations on overall employment levels is unknown. Nonetheless, Downtown Milwaukee is home to a significant number of office workers who provide large spending potential for Study Area businesses. To further examine downtown employees, the following tables and maps examine worker occupations, household incomes, workers' times of arrival, their means of transportation to work, their spending potential, and the geographic distribution of workers in the Study Area.

Downtown Milwaukee Employee Occupations

Compared to the broader Milwaukee 7 Region, the Downtown Study Area has a significantly higher percentage of workers in white-collar occupations (Table 5.2). Downtown Milwaukee's high percentage of management, business, and financial occupations, as well as administrative support occupations, are the primary reasons for these differences. Given the Study Area's concentration of office space, financial institutions, and insurance companies, these differences are to be expected. Note that Downtown Milwaukee has a smaller percentage of employees in sales occupations than the Milwaukee 7 region. These differences may reflect a lower concentration of retail establishments in the Study Area relative to the broader region. Furthermore, the Study Area's smaller percentage of blue-collar occupations reflects the relative lack of manufacturing, construction, and transportation industries in Downtown Milwaukee.

Table 5.2 – Occupations of Employees Working in the Downtown Milwaukee Study Area

Occupation (2000)	Downtown Study Area		Milwaukee 7 Region	
	Number of Workers	Percent of Workers	Number of Workers	Percent of Workers
<i>White Collar</i>	60,054	77.0%	584,797	62.7%
Management/Business/Financial	17,080	21.9%	125,721	13.5%
Professional	18,517	23.8%	209,029	22.4%
Sales	6,419	8.2%	99,977	10.7%
Administrative Support	18,037	23.1%	150,070	16.1%
<i>Services</i>	9,477	12.2%	104,982	11.3%
<i>Blue Collar</i>	8,474	10.9%	242,641	26.0%
Farming/Forestry/Fishing	124	0.2%	2,160	0.2%
Construction/Extraction	1,619	2.1%	38,454	4.1%
Installation/Maintenance/Repair	1,661	2.1%	32,914	3.5%
Production	2,649	3.4%	113,477	12.2%
Transportation/Material Moving	2,411	3.1%	55,488	6.0%
Armed Forces	~10	< 0.1%	148	< 0.1%
Total Employees	78,005	100.0%	932,420	100.0%

Source: 2000 Census Bureau Transportation Planning Package

¹ Map 2.1 in Section 2 depicts the geographic origins of these employees

Household Incomes of Downtown Milwaukee Employees

The household incomes of Downtown Milwaukee employees are not dramatically different from those of the broader Milwaukee 7 Region. Employees working in the Downtown Study Area and the Milwaukee 7 Region live primarily in middle-to-upper income households (Table 5.3). The primary income differences for Study Area employees are found in those households with incomes below \$25,000, and those with incomes above \$100,000. Specifically, 5.1% of Study Area employees live in households with incomes below \$25,000, compared to 3.8% of households in the Milwaukee 7 region. *Conversely, 22.1% of Study Area workers live in households with incomes above \$100,000, compared to just 18.3% of regional households.*

Table 5.3 – Household Incomes of Employees Working in the Downtown Milwaukee Study Area

Household Income (2000)	Downtown Study Area		Milwaukee 7 Region	
	Number of Workers	Percent of Workers	Number of Workers	Percent of Workers
Less than \$10,000	2,041	2.6%	17,435	1.9%
\$10,000 - \$14,999	1,903	2.5%	18,005	1.9%
\$15,000 - \$24,999	8,446	10.9%	93,155	10.1%
\$25,000 - \$34,999	7,916	10.3%	90,060	9.7%
\$35,000 - \$44,999	7,977	10.3%	102,685	11.1%
\$45,000 - \$59,999	7,931	10.3%	108,705	11.8%
\$60,000 - \$74,999	11,012	14.3%	153,970	16.7%
\$75,000 - \$99,999	13,695	17.7%	170,675	18.5%
\$100,000 - \$124,999	7,723	10.0%	84,335	9.1%
\$125,000 or more	9,361	12.1%	84,850	9.2%
Total Employees	78,005	100.0%	923,895*	100.0%

Source: 2000 Census Bureau Transportation Planning Package

Time of Arrival to Work and Average Weekly Hours Worked

Table 5.4 reports the usual time of arrival for employees working in the Downtown Study Area. Almost 60% of employees arrive between the traditional working hours of 7:00 AM and 9:00 AM, compared to just 46% of workers in the Milwaukee 7 Region. These differences in time of arrival are likely a reflection of longer commuting distances into the Downtown Study Area (see Section 2), as well as the presence of more industries offering second and third shifts in the broader region.

Table 5.4 – Time of Arrival for Employees Working in the Downtown Milwaukee Study Area

Time Arriving to Work	Downtown Study Area		Milwaukee 7 Region	
	Number of Workers	Percent of Workers	Number of Workers	Percent of Workers
12:00 am to 4:59 am	1,201	1.5%	26,090	2.8%
5:00 to 5:59 am	3,130	4.0%	60,251	6.5%
6:00 to 6:29 am	3,762	4.8%	57,366	6.2%
6:30 to 6:59 am	7,374	9.5%	104,707	11.2%
7:00 to 7:29	11,527	14.8%	116,877	12.5%
7:30 to 7:59	16,245	20.8%	153,907	16.5%
8:00 am to 8:29 am	12,133	15.6%	104,852	11.2%
8:30 am to 8:59 am	6,019	7.7%	53,621	5.8%
9:00 am to 9:29 am	2,763	3.5%	32,671	3.5%
9:30 to 11:59 am	3,612	4.6%	46,561	5.0%
12:00 pm to 2:59 pm	3,237	4.1%	52,841	5.7%
3:00 pm to 5:59 pm	3,953	5.1%	60,316	6.5%
6:00 pm to 11:59 pm	2,846	3.6%	37,901	4.1%
Worked at home	202	0.3%	24,460	2.6%
Total	78,005	100.0%	932,420	100.0%

Source: 2000 Census Bureau Transportation Planning Package

Table 5.5 reports the average weekly hours worked for Study Area employees. Almost 85% of Study Area employees work 35 hours or more, compared to 79% of workers in the Milwaukee 7 region. The average hours worked by Study Area employees, combined with their arrival times suggests that most employees will finish their workday between 4:00 PM and 6:30 PM. Accordingly, businesses seeking to capture the employee market segment will likely need to offer business hours that extend past 5:00 or 6:00 PM.

Table 5.5 – Average Weekly Hours Worked of Employees Working in Downtown Milwaukee

Average Weekly Hours Worked	Downtown Study Area		Milwaukee 7 Region	
	Number of Workers	Percent of Workers	Number of Workers	Percent of Workers
Less than 15 hours	1,660	2.1%	34,625	3.7%
15 to 20 hours	3,679	4.7%	69,989	7.5%
21 to 34 hours	6,426	8.2%	91,525	9.8%
35 to 40 hour	41,632	53.4%	436,816	46.8%
41 to 55 hours	20,011	25.7%	239,567	25.7%
Greater than 55 hours	4,596	5.9%	59,898	6.4%
<i>Total</i>	<i>78,005</i>	<i>100.0%</i>	<i>932,420</i>	<i>100.0%</i>

Source: 2000 Census Bureau Transportation Planning Package

Means of Transportation to Work for Downtown Employees

The majority of Downtown Study Area workers drive alone to their place of employment (Table 5.6). As 60% of Study Area workers live more than five miles from Downtown, this percentage is not surprising. However, a greater percentage of Study Area employees use some form of public transportation (11.5%), compared to employees working in the broader Milwaukee 7 Region (3.5%). The differences in the use of public transportation are likely attributed to the availability of a bus system and the household incomes of some Study Area workers. Specifically, a greater percentage of Study Area workers likely have greater access to public transportation, compared to many areas in the Milwaukee 7 Region. Furthermore, the Downtown Study Area has a slightly larger percentage of lower income workers that may not have access to a car. Recent increases in gas prices also may impact the number of people using public transportation or carpooling to work.

Table 5.6 – Means of Transportation to Work for Employees Working in Downtown Milwaukee

Means of Transportation	Downtown Study Area		Milwaukee 7 Region	
	Number of Workers	Percent of Workers	Number of Workers	Percent of Workers
Drove alone	56,777	72.8%	748,441	80.3%
Carpool	9,260	11.9%	93,111	10.0%
Public Transportation	8,969	11.5%	32,337	3.5%
Bicycle	226	0.3%	2,020	0.2%
Walked	2,092	2.7%	26,391	2.8%
Taxicab	95	0.1%	920	0.1%
Motorcycle	56	0.1%	675	0.1%
Other means	327	0.4%	4,065	0.4%
Worked at home	202	0.3%	24,460	2.6%
<i>Total</i>	<i>78,005</i>	<i>100.0%</i>	<i>932,420</i>	<i>100.0%</i>

Source: 2000 Census Bureau Transportation Planning Package

Spending Potential of Downtown Study Area Employees

The preceding characteristics on the number of downtown workers, their household incomes, and their occupations can be used to estimate employee spending potential. The previously mentioned ICSC analysis of office workers tracked retail-spending patterns in four categories: dining during lunch; dining and drinks after work (dinner); destination/intermediate goods; and convenience goods. Destination and intermediate goods are those typically found in a department store including apparel, home items, gifts, sporting goods, toys and electronics. Convenience goods include those items purchased in a grocery or discount store (groceries, personal care products, snacks, cosmetics, etc.).

The ICSC analysis compared retail spending of workers employed in downtowns with ample retail to those employed in downtowns with limited retail. *As previously mentioned, workers employed in ample retail downtowns tended to spend more than those workers located in limited retail downtowns.* Given the current downtown retail environment, the spending patterns of workers in limited retail downtowns were used to create spending estimates for Downtown Milwaukee (Table 5.7).

Combining retail categories, Downtown Study Area employees represent \$344 million in retail spending potential. Note that these estimates are based on employee spending patterns analyzed in other communities. If local spending patterns differ significantly in Milwaukee, the figures in Table 5.7 will also change. Accordingly, these figures should only be used as estimates.

Table 5.7 – Spending Potential of Employees Working in Downtown Milwaukee

Expenditure Category	Annual Spending Per Capita	Total Annual Demand
Dining - Lunch	\$1,320	\$102,966,600
Dining – Dinner and Drinks	\$ 630	\$49,143,150
Destination and Intermediate Goods	\$ 272	\$21,217,360
Convenience Goods	\$ 2,190	\$170,830,950

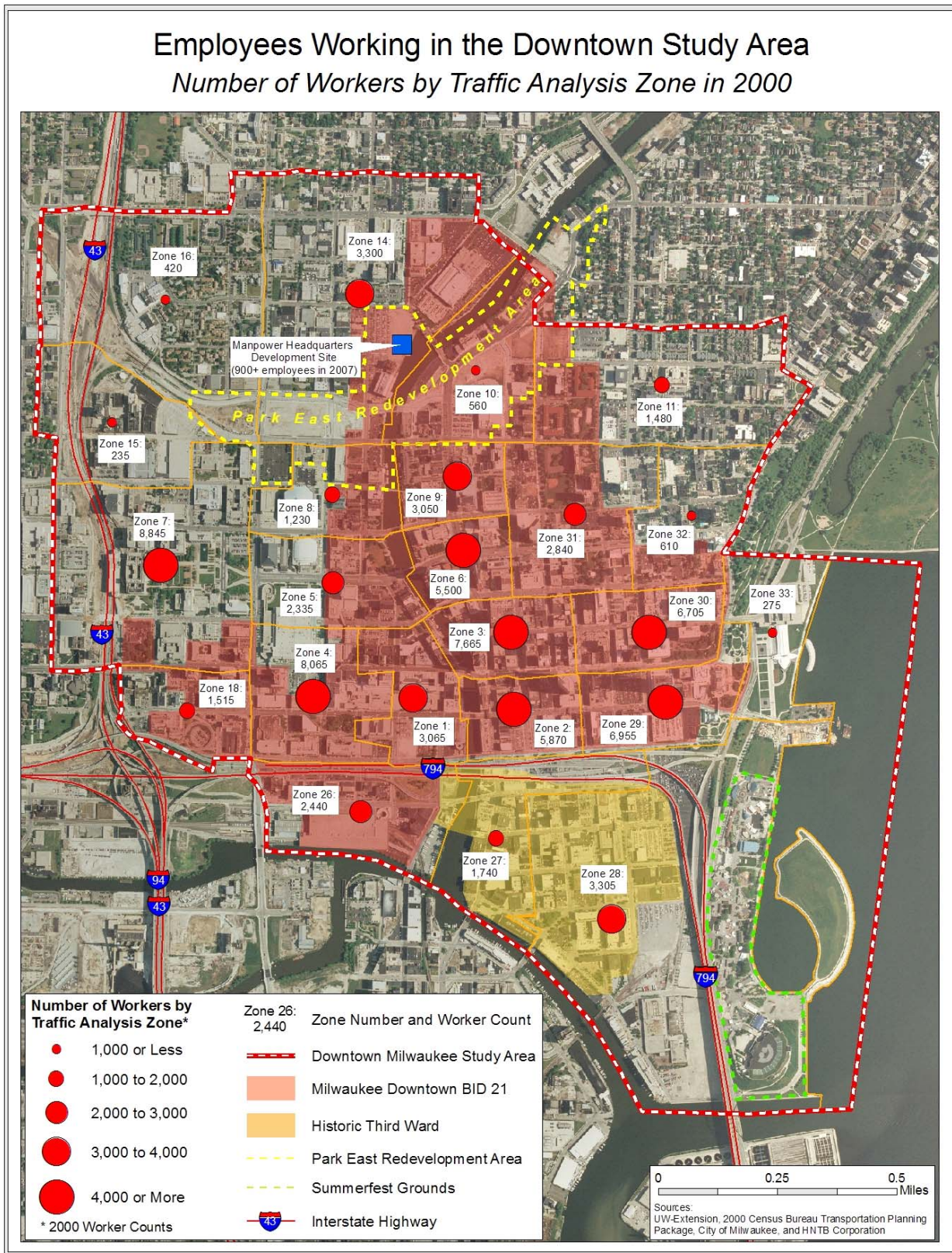
Source: ICSC, 2004

Geographic Distribution of Downtown Employees

Capturing the spending potential represented by Downtown Study Area employees requires that businesses are accessible to employees. While an establishment's business hours affect accessibility, establishments also need accessible locations relative to places of employment. *Research has indicated that most employees will not travel more than a quarter-mile from their place of employment to purchase a good or service during working hours.* Accordingly, businesses seeking to capture the greatest amount of employee spending should consider a location within a quarter-mile of large employment centers. These location considerations may be particularly relevant for restaurants, retailers, personal services, convenience stores, health clubs and banking services.

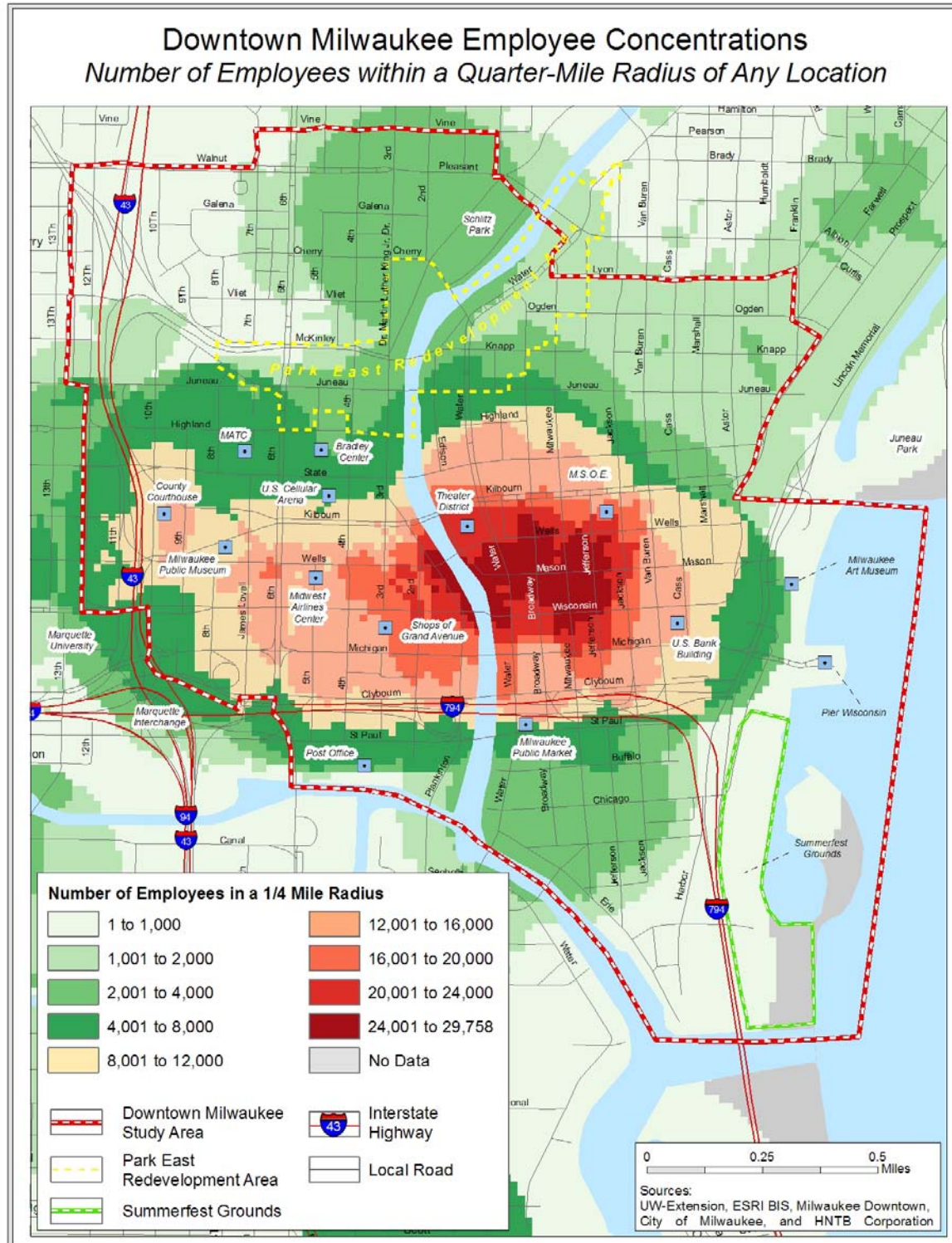
To depict the distribution of Downtown Milwaukee employees, Appendix 5A lists downtown office space, while Map 5.1 and Map 5.2 examine the number of employees working throughout the study area. Map 5.1 depicts the number of workers by each traffic analysis zone (TAZ) in the Study Area and shows that a large number of workers are employed along Wisconsin Avenue and to the east of the Milwaukee River. *While fewer employees are located in the northern portions of the Study Area, these figures will increase after Manpower's relocation is completed in 2007.*

Map 5.1 – Distribution of Employees Working in the Downtown Study Area (2000)



To further explore the distribution of Study Area employees, Map 5.2 examines the estimated number of employees within a quarter-mile of any point on the map. The highest employee concentrations are found in the area bound by the Milwaukee River, Wells Street, Wisconsin Avenue and Jefferson Street. The blocks bound by these streets have 20,000 to 29,000 employees working within a quarter-mile.

Map 5.2– Employee Concentrations in the Downtown Study Area (2000)



Focus Group Findings for the Downtown Employee Market Segment

In order to collect information about how to improve the experience of downtown office workers in Milwaukee, the UW-Extension Center for Community and Economic Development (CCED) conducted three focus group sessions in May 2006. Downtown Milwaukee workers shared their ideas and opinions in round table meetings, each lasting approximately an hour and a half. *Focus group attendees were drawn from a pool of workers representing different industries, occupations, and geographic locations within the Downtown Study Area.*

Objectives

Focus groups were conducted to achieve three objectives:

1. Identify whether or not workers knew about current programs offered by Milwaukee Downtown BID #21, and if so, how they might value these programs.
2. Identify the advantages and disadvantages of working downtown and how Downtown Milwaukee might work to attract additional employees.
3. Analyze the advantages, disadvantages, and potential barriers to business attraction, expansion and retention downtown.

Focus Group Questions

The following six questions were used to guide the focus group discussions:

- Downtown Milwaukee operates a number of programs such as Public Service Ambassadors, Graffiti removal, landscaping, and clean sweep Ambassadors. Tell me about your familiarity or experiences with any of these programs.
- For a moment, think about the Greater Milwaukee area. Think about places like Brookfield, Racine, Brown Deer, New Berlin, and Franklin. What do you feel are the advantages of working in Downtown Milwaukee compared to other surrounding communities? What are some potential disadvantages?
- Think about other cities around the nation where you may have worked, visited, or perhaps considered as a place of employment. What characteristics of those cities might make them more or less desirable than Downtown Milwaukee as a place to work?
- What could be done in Downtown Milwaukee to encourage you to spend more time in downtown after work or to come back on the weekend?
- If you were to start your own business, what advantages or disadvantages does Downtown Milwaukee possess as a place to locate a business over other areas?
- What do you feel are some potential barriers to attracting new businesses into Downtown Milwaukee or retaining existing businesses?

The following comments were made by participants in facilitated focus groups and are not the opinions of Milwaukee Downtown BID #21 or UW-Extension Center for Community and Economic Development

Downtown workers awareness of BID programs

Downtown workers are very familiar with the Public Service Ambassador, Graffiti removal, landscaping and Clean Sweep Ambassador programs that are offered in Downtown Milwaukee. The following testimonials show how these programs are valued by downtown workers:

- Public Service Ambassadors are knowledgeable, present in our hotels, and give our guests directions and information. We know this is important because our guests provide positive feedback about the assistance they receive from Public Service Ambassadors.
- Public Service Ambassadors are active in downtown events, visible everywhere in downtown, and hand out information and keep the kiosks up to date. They are fabulous!
- Clean Sweep Ambassadors make downtown a cleaner and safer place. Safety is very important.
- We see the graffiti removal truck and graffiti is removed quickly.
- The planters in downtown are always maintained. They make downtown look attractive.

Advantages and disadvantages of working downtown

Downtown workers enjoy the many advantages of working downtown. Their biggest concerns surround parking and transportation. Retail choices for shopping are a secondary concern.

Advantages of working downtown:

- Downtown has energy, a larger concentration of businesses, a larger pool of workers, and more opportunity to draw clients downtown. The suburbs do not have downtowns. They lack a sense of community like Downtown Milwaukee.
- In Downtown Milwaukee, you have the opportunity to live where you work. There are many things to do. Downtown has culture and evening events that provide an opportunity for human interaction. There are also neighborhood events and a community awareness of what is going on in Milwaukee.
- Downtown Milwaukee is walkable. In downtown, workers can walk to lunch and back in an hour. To get anywhere in the suburbs you need to get in your car and drive through heavy traffic.
- Our downtown is special. We have had good gains in housing and we have had a growth in restaurants and entertainment. We need to do a better marketing of what we have downtown.
- From an environmental viewpoint, Downtown Milwaukee is connected to the lakefront; this is a big advantage.

Disadvantages of working downtown:

- Parking in downtown is a disadvantage. There is a lack of knowledge about parking ramps and street parking meters. Milwaukee lacks a central parking sign system. People will drive around looking for cheap parking on the street. Parking in a parking ramp garage is a last alternative.
- Parking meters in downtown have a two-hour maximum time. This is a huge problem. Credit card meters are needed so we do not need to deal with change. There is no place to get change for parking meters. The \$1.00 an hour parking rate for the meters is high. Shoppers and visitors do not realize that parking meters are free on the weekend.
- To bring people downtown we need more options than just a car or bus. The lack of additional options for public transit is hurting downtown. Trying to get around downtown if you are not walking is difficult. The fact that Downtown Milwaukee is physically and geographically large makes this issue even worse.
- Residents from surrounding communities fear going to Downtown Milwaukee. Where do I park? They are also concerned about safety and do not like navigating through event traffic and construction detours. The perception that costs for parking, restaurants, and shopping downtown are higher must be overcome.
- Conflicts are occurring among drivers, pedestrians, and bicyclists. There is a need to educate drivers about bike lanes. Bicycling is a plus and a minus. There is not a good network of bike paths to get around downtown. We must connect downtown with bike trails to regional and state trails.
- Need to better accommodate pedestrian walking. Minneapolis has skywalks. More lighting is needed to enhance safety. Also, benches are needed for a resting point. In addition, more green space would help, especially to connect downtown with the Third Ward.
- Better planning for spaces under the freeway that cuts through downtown would help enhance safety.

More desirable characteristics of other downtowns

Downtown workers were concerned about the vision and future of downtown Milwaukee. When compared to other cities, they see many opportunities for improvement in Downtown Milwaukee.

- Other cities have a much better public transportation system. This includes buses (Denver), buses and light rail (Minneapolis), and buses and subway (Boston). In other cities, public transportation is a way of life. In Milwaukee, the automobile is a way of life.
- Downtown Milwaukee had more retail 20 years ago. There were more retail department stores then (Marshall Fields, Woolworths). Downtown has lost intensity. We cannot attract big retailers. The only place hanging on is Grand Avenue Mall. It needs more of a retail draw. It closes at 7 p.m. in the evening. Today, Downtown Milwaukee lacks the standard stores (Target), grocery stores, and urban theaters.
- Minneapolis has developed skywalks and other cities have narrower streets that are more pedestrian-friendly. Downtown Austin is a good example of a walkable community.

- Milwaukee lacks diversity. Many people are local. They are not from outside Wisconsin. It is hard for developers to connect in Milwaukee, which is known for its many cliques. We do not have a mixing of income levels in Milwaukee and race is holding us back.
- Milwaukee does not have activity downtown. We have people living downtown, but they do not go out like residents of other cities. Other cities also offer more outdoor dining and businesses are open in the evening hours. If you walk in a city and do not see people or businesses open, it creates fear. If people are afraid, they will not shop downtown.
- Milwaukee does not have a central focus area (Such as State Street in Madison). Downtown has pockets of activity, but it is disconnected and not across the entire downtown.
- Studies on Milwaukee have been done (UW-Milwaukee), but there is no vision. People still associate Milwaukee as blue collar (Laverne and Shirley). Downtown Milwaukee must educate the greater metro area about its assets.

Less desirable characteristics of other downtowns

Downtown workers identified several characteristics of Milwaukee and its downtown that they feel makes it more desirable than other cities. These characteristics include:

- Milwaukee has professional sports downtown. The Milwaukee Bucks, Milwaukee Admirals, and Milwaukee Wave all host sporting events downtown. The Bradley Center and Convention Center bring people downtown.
- The festivals downtown make Milwaukee attractive. These include Third Ward Gallery Night, Bastille Days, River Splash, events in downtown parks, and holiday lights.
- Brew City has evolved from college students to young professionals. We have a large number of young professionals downtown.
- Milwaukee has many green space areas. This allows people to socialize together. Downtown is also clean and has attractive flower planters. Heated sidewalks also create a more pedestrian friendly environment for walking in the winter months.
- Downtown Milwaukee feels safe. We do not have graffiti, trash in the streets, abandoned buildings, ghetto crates, and rapid changes in the level of safety from street to street downtown.
- Milwaukee is much more pedestrian and traffic friendly than other cities. It is easier to drive in and has much more parking for automobiles.
- The arts are getting better in Milwaukee. We need to concentrate on the arts and keep them growing.

Opportunities for encouraging workers to spend more time downtown after work and on weekends

Downtown workers believe that with the right product mix, more people will spend time downtown after work and on the evenings. The following ideas were presented as ways to create more activity downtown.

- It is important to improve the image of downtown. The mentality is that downtown is a scary, unsafe place. Need to have the suburbanites feel comfortable downtown.
- While there are many downtown activities in the summer, we need more activities in the off-season.
- Weekends are dead downtown. During the week, it can be dead as well. We need a critical mass of people to generate excitement. Offer discounts to area employees to get them downtown to participate. A movie theater would help downtown. Currently, we must drive to the suburbs for new movie release or matinee. We need more shopping with longer hours. The Public Market has helped create a Saturday morning destination. We should have an outdoor food court downtown.
- Promote downtown as an entertainment destination. How do we connect the Summerfest grounds with downtown? Concerts held at Pierre Marquette Park are a big plus.
- To make people more comfortable downtown, way finding is required. This will help get people from place to place. Way finding includes signs, streetlights, hanging planter baskets and anything else that aids people in finding their way.

Positive and negative aspects of starting a business in downtown Milwaukee

Downtown Workers understand that Downtown Milwaukee has many positive attributes for starting a business. However, there are issues of concern that they feel must be addressed to create a vibrant entrepreneurial climate downtown.

Positive Business Attributes that are Offered by Downtown Milwaukee:

- The visibility of downtown is an advantage and Milwaukee is a friendly place where it is easy to start a business.
- There is plenty of retail space with affordable lease rates and a lack of competition exists due to many underserved markets. We need to better understand what types of businesses have the capability to thrive and grow downtown.
- Concentration of young professionals working and living downtown. These people are skilled workers.
- It is easy to get around downtown, and the economic trend for downtown is upward.

- People continue to move downtown. We are attracting people with wealth who are buying condos. Some condos are just summer homes or weekend getaways, but this still creates an opportunity for businesses to capture additional money.
- The Third Ward is a good environment for retail. It is pedestrian friendly and walkable.

Downtown Business Issues of Concern:

- Real estate property is higher and taxes are higher.
- The city offers incentive packages to entice large employers to move downtown (Roundy's, Manpower). The small businesses that are potentially future large companies are left out there on their own. These small businesses must do a better job of working together.
- Lack of pedestrian traffic is a disadvantage. Foot traffic varies. It depends on the area of downtown. Businesses need a good concentration of pedestrian traffic. Large companies downtown have their own lunch cafeterias. How many of these people venture out for lunch? Downtown workers do not automatically translate into downtown shoppers.
- The biggest barrier to business development downtown is sustained momentum.
- An added cost to doing business downtown is parking. It is an issue because Milwaukee is completely dependent on the car for transportation. We need to have more transportation choices or make downtown a great place for parking. We have a huge amount of parking in downtown already, but people are too cheap to pay to park in the parking garages or too lazy to walk an extra block.

Barriers to attracting new businesses and retaining existing businesses

Downtown workers voiced their concerns about business development in downtown. These concerns were based on their first impressions and experiences working in downtown Milwaukee. It is evident from their comments that a unified business expansion and retention effort should be considered for Downtown Milwaukee.

Barriers - Downtown Image:

- There is a real need to emphasize successes. People from outside Milwaukee are investing in homes downtown and moving downtown. This is a huge success and must be publicized.
- It is sad that people who live and work in downtown create a bad perception by making fun of it.
- People are looking for opportunities to help, but do not know where to start.
- Police enforcement is lacking. We have too many car break-ins downtown.

- Shops on major streets are not very attractive. Landscaping and streetscaping improvements are needed downtown.
- Efforts are made to maintain historic buildings in downtown.
- Downtown needs to be more pedestrian friendly. A pedestrian is defined as anybody coming downtown. Narrowing streets and benches would increase pedestrian friendliness.
- Many businesses need better signage. Kiosks downtown should show where businesses are located.

Barriers - Economic Development:

- High rent is a barrier for both small and large downtown businesses. Downtown has high vacancy rates for retail and office space.
- All the retail stores in the suburbs keep people in the suburbs. Downtown workers would much rather go downtown to Target or a furniture store than drive out to the suburbs.
- The need exists for more hotels downtown. People that stay in hotels also spend their money at downtown businesses.
- We need businesses that provide services beyond Milwaukee. Specifically, professional and service-type businesses that provide regional, national, and international services.
- Is our downtown convention center too small? How do we attract more conventions?
- The creation of downtown tour packages for attractions would make it easier for visitors to get places.
- We need to tie the Art Museum and lakefront into Wisconsin Avenue. The Pier Wisconsin Project is a positive first step to achieving this goal. More must be done with the Riverwalk. These efforts will add to quality of life and will attract more business.
- Businesses must be better organized. Similar hours, promotional events, and working together like a shopping mall will pay dividends.
- Businesses need mentoring. Who has this role? We need to have an effective business retention program. We are not doing a good job of retaining businesses downtown.

Conclusions

- Downtown Milwaukee employees have an estimated \$344 million in annual retail spending potential. Surveys of employee spending patterns in other cities show that limited retail options somewhat constrain employee spending potential. While it is not known whether Downtown Milwaukee's spending potential is impacted by its limited retail environment, focus group participants noted the lack of retail in the Downtown Study Area.
- In addition to retail availability, the quality of shopping opportunities also impacts downtown employee spending patterns. National employee surveys suggest that unless retail offerings are superior, office workers are more likely to shop for consumer goods near their residence. Reinforcing the desire for superior retailers, focus group participants noted that Downtown Milwaukee is missing flagship retailers and that many Study Area retailers do not offer convenient store hours.
- Hospitality and entertainment options are important considerations for capturing downtown employee spending potential. Specifically, downtown office workers tend to eat out for lunch more frequently than their suburban counterparts do. Furthermore, the percent of office workers stopping after work for entertainment has increased dramatically since 1987.
- In 2000, an estimated 78,000 workers were employed in the Downtown Study Area. Most workers were employed in white-collar occupations (77%), worked full-time or more (81%), and lived in middle-to-upper income households. When compared to all employees working in the Milwaukee 7 Region, Study Area employees were more likely to arrive between 7:00 AM and 9:00 AM and used public transit with greater frequencies.
- Focus group participants overwhelmingly recognized and appreciated the public service programs provided by Downtown Milwaukee BID #21.
- Participants in the employee focus groups appreciated Downtown Milwaukee's opportunities for living near work, its access to cultural, arts and entertainment events, its unique geographic location on the lake, and its general sense of community. Focus group participants also appreciated the safety of Downtown Milwaukee
- Several common disadvantages of working in Downtown Milwaukee were also noted by focus group participants. These disadvantages included a deficit in convenient parking, conflicts between drivers and pedestrians and the lack of a more comprehensive public transportation system. The desire for better public transportation was particularly apparent when focus group participants compared Milwaukee to other U.S. cities.
- Focus group participants were positive about the development trends in Downtown Milwaukee. However, these individuals also noted a number of opportunities for improving the downtown economy. Suggestions included: better marketing of downtown to overcome its image of being unsafe and blue-collar; creating a larger critical mass of shopping and entertainment activities in Downtown; improving the walkability of downtown; and providing unified economic development resources targeted toward business retention and expansion.